

TENNESSEE REGULATORY AUTHORITY



Ron Jones, Chairman
Deborah Taylor Tate, Director
Pat Miller, Director
Sara Kyle, Director

2005 AUG -1 PM 2:16

T.R.A. DOCKET ROOM 460 James Robertson Parkway
Nashville, Tennessee 37243-0505

Via Electronic Mail and First Class Mail

August 1, 2005

Mr. Archie R. Hickerson
Director - Regulatory Affairs
AGL Resources, Inc.
5100 E. Virginia Beach Blvd.
Norfolk, Virginia 23502

Re: Chattanooga Gas Company
ACA Audit (Docket 04-00402) and IPA Audit (Docket 04-00403)

Dear Mr. Hickerson:

On July 12, 2005, Staff sent a data request to you requesting copies of the un-redacted third party invoices billed to Sequent Energy Management ("Sequent"). These third party supplier invoices were originally provided in redacted form at the time of Chattanooga Gas' ("CGC") filing of its Actual Cost Adjustment ("ACA") and were intended to support the cost of gas charged by Sequent to CGC. The July 12 request was made pursuant to a protective order that was filed with the Authority on July 5, 2005.

On July 18, CGC responded to the Staff's data request. The cover letter stated that CGC was providing two copies, as requested, of "the un-redacted copies of Sequent Energy Management's ("Sequent") invoices for gas purchases charged to CGC for the period July 2003 through June 2004." After reviewing the invoices submitted, it is clear that CGC did not fully comply with Staff's request.

Chattanooga Gas submitted approximately one-half of the invoices in question. A number of invoices that were provided were not complete invoices. Also, in the copying process, a number of invoices had the far right column deleted. Therefore, we are asking that you immediately provide the following:

1. Complete, un-redacted Sequent third party invoices for the period July 2003 through June 2004. Make sure that a complete invoice is provided for every invoice that was submitted in the original filing. Make sure all pages of each invoice are included. Make sure the copies are legible and each page includes the entire page of information.

2. In the original ACA filing, CGC supplied monthly summaries of Sequent's third party invoices that compared the invoiced amounts with the amounts billed to CGC. In its July 18 data request response, CGC submitted new monthly summaries that do not tie to the original filing. Provide a reconciliation of the new summaries to the original summaries. Explain any differences (both on the invoiced amount side and CGC's cost side) and the reasons for all changes.

Provide the requested information no later than 2:00 p.m. on Monday, August 8. File an original plus one copy addressed to the Chairman's Office. Thank you for your attention to this matter. If you have any questions, please contact Gary Lamb at extension 172 or myself at extension 178.

Sincerely,



Pat Murphy
Manager of Energy and Water
Utilities Division

Data Request (August 1, 2005)

cc: Chairman Ron Jones
Jean Stone, Hearing Officer
Richard Collier, Chief Counsel
Darlene Standley, Chief of Utilities Division
Billye Sanders, Counsel for Chattanooga Gas